

HOUSE No. 2501

By Mr. Larkin of Pittsfield, petition of Peter J. Larkin and Thomas J. O'Brien relative to tax incentives for employers providing day care facilities and subsidies to employees for the benefit of dependents of such employees. Revenue.

The Commonwealth of Massachusetts

In the Year Two Thousand and Five.

AN ACT RELATIVE TO TAX INCENTIVES FOR EMPLOYERS PROVIDING DAY CARE FACILITIES AND/OR SUBSIDIES TO THEIR EMPLOYEES FOR THE BENEFIT OF THEIR DEPENDENTS.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 Chapter 63 of the General Laws is hereby amended by inserting
2 after section 38K the following new section:—
3 Section 38L. (a) In determining the net income subject to tax
4 under this chapter, a domestic or foreign business corporation, at
5 its election, may deduct the additional expenses incurred by a tax-
6 payer for (1) planning, site preparation, construction, renovation,
7 or acquisition of facilities for purposes of establishing a day-care
8 facility to be used primarily by the dependents of such taxpayers'
9 employees, including such equipment and appliances as shall be
10 necessary in the use or operation of such a facility, and/or (2) any
11 payments and/or subsidies given to such taxpayers' employees to
12 help defray the expenses incurred by such employees in the pro-
13 viding of day care for their dependents. For the purposes of this
14 section, the word "dependent" shall have the same meaning as
15 that contained in section 152 of the Federal Internal Revenue
16 Code, as from time to time amended. Any tax deduction autho-
17 rized hereunder not used in the taxable year in which the expenses
18 were actually incurred may be carried forward for the five imme-
19 diately succeeding tax years until the full deduction has been
20 allowed.